

## **IC 16-22-8**

### **Chapter 8. Health and Hospital Corporation of Marion County**

## **IC 16-22-8-1**

### **Administrative adjudication, decision, or order defined**

Sec. 1. As used in this chapter, "administrative adjudication, decision, or order", means the administrative investigation, hearing, and determination of issues or cases applicable to a person, including the following:

- (1) Revocation or suspension of a license or permit.
- (2) Discharge of an official or employee, if that official or employee may only be discharged for cause.

*As added by P.L.2-1993, SEC.5.*

## **IC 16-22-8-2 Repealed**

*(Repealed by P.L.266-2001, SEC.17.)*

## **IC 16-22-8-3**

### **Division defined**

Sec. 3. As used in this chapter, "division" means an administrative subdivision created by this chapter or by the governing board.

*As added by P.L.2-1993, SEC.5.*

## **IC 16-22-8-4**

### **Division director defined**

Sec. 4. As used in this chapter, "division director" and "director of a division" mean the chief executive officer of a division.

*As added by P.L.2-1993, SEC.5.*

## **IC 16-22-8-5**

### **Hospital defined**

Sec. 5. As used in this chapter, "hospital":

- (1) means a hospital (as defined in IC 16-18-2-179(b)) that is owned, operated, or managed by a municipality or political subdivision within the territorial jurisdiction of the corporation created by section 6 of this chapter;
- (2) does not include state or federal owned or operated hospitals; and
- (3) includes a county home established before July 20, 1951, by the legislative body of the county in which the corporation is created.

*As added by P.L.2-1993, SEC.5.*

## **IC 16-22-8-6**

### **Creation; powers**

Sec. 6. (a) There is created in a county containing a consolidated city a distinct municipal corporation known as "The Health and Hospital Corporation of \_\_\_\_\_ County".

(b) The municipal corporation, in its corporate name, may do the following:

- (1) Sue and be sued in a court of competent jurisdiction.
- (2) Enter into contracts.
- (3) Acquire and dispose of real, personal, and mixed property by deed, purchase, gift, grant, devise, lease, condemnation, or otherwise.
- (4) Make and adopt appropriate ordinances, regulations, orders, rules, and resolutions.
- (5) Do all things reasonable or necessary to carry out the work and perform the corporation's duties under this chapter.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-6.5**

##### **Other powers of the board**

Sec. 6.5. (a) In addition to IC 5-14-1.5-6.1(b), the corporation may hold executive sessions concerning the division of public hospitals to do any of the following:

- (1) Discuss and prepare bids, proposals, or arrangements that will be competitively awarded among health care providers.
- (2) Discuss recruitment of health care providers.
- (3) Discuss and prepare competitive marketing strategies.
- (4) Engage in strategic planning.
- (5) Participate in a motivational retreat with staff or personnel if the corporation does not conduct any official action (as defined in IC 5-14-1.5-2(d)).

(b) IC 5-14-1.5-5, IC 5-14-1.5-6.1, and IC 5-14-1.5-7 apply to executive sessions held under subsection (a).

(c) The corporation may hold confidential, until the information contained in the records is announced to the public, records of a proprietary nature that if revealed would place the corporation at a competitive disadvantage, including the following:

- (1) Terms and conditions of preferred provider arrangements.
- (2) Health care provider recruitment plans.
- (3) Competitive marketing strategies regarding new services and locations.

*As added by P.L.91-2002, SEC.11 and P.L.100-2002, SEC.12.*

#### **IC 16-22-8-7**

##### **Governing board; exercise of powers**

Sec. 7. The governing board shall exercise the executive and legislative powers of the corporation.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-8**

##### **Governing board; membership; qualifications**

Sec. 8. (a) The governing board consists of seven (7) members who have been chosen at large from the county in which the corporation is established.

(b) To be eligible to be selected or serve as a member of the board, an individual must have the following qualifications:

- (1) Be a resident in the county.

(2) Have been a continued resident in the county for not less than three (3) years immediately preceding the first day of the member's term.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-9**

##### **Governing board; appointment of members; term**

Sec. 9. (a) The executive of the consolidated city shall appoint three (3) residents of the city as members of the board, not more than two (2) of whom may belong to the same political party. One (1) member may be a licensed physician.

(b) The board of commissioners of the county in which the corporation is established shall appoint two (2) members of the board who may not belong to the same political party and must be residents of the county.

(c) The city-county legislative body shall appoint two (2) members of the board both of whom must be residents of the county and may not belong to the same political party. One (1) member shall be appointed for a two (2) year term, and one (1) member shall be appointed for a four (4) year term.

(d) Except as provided in subsection (c), a member of the board serves a term of four (4) years from the beginning of the term for which the member was appointed until a successor has qualified for the office. Each member is eligible to reappointment to successive terms.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-9.1**

##### **Governing board membership limitation**

Sec. 9.1. A member of an appointing authority that is identified in section 9 of this chapter may not serve on the corporation's governing board.

*As added by P.L.100-2002, SEC.13.*

#### **IC 16-22-8-10**

##### **Governing board; vacancies; party affiliation**

Sec. 10. (a) A vacancy occurs if a member of the board dies, resigns, changes residence from the county, or is impeached.

(b) If a vacancy occurs or upon the expiration of a term, a member's successor shall be appointed by the authority who originally appointed the member in accordance with this section.

(c) Not more than four (4) members of the board may belong to the same political party.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-11**

##### **Governing board; impeachment of member**

Sec. 11. A member may be impeached under the procedure provided for the impeachment of county officers.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-12****Governing board; conflicts of interest**

Sec. 12. An individual is not prohibited from serving as a member of the board of trustees if the member:

- (1) has a pecuniary interest in; or
- (2) derives a profit from;

a contract or purchase connected with the hospital. However, the member shall disclose the interest or profit in writing to the board and provide a copy to the state board of accounts. The member shall abstain from voting on any matter that affects the interest or profit.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-13****Governing board; employment conflicts**

Sec. 13. A member of the governing board is ineligible to hold an appointive office or employment under the corporation.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-14****Governing board; compensation of members**

Sec. 14. A member of the governing board is entitled to receive one thousand two hundred dollars (\$1,200) each year and the member who is chairman of the board is entitled to receive an additional six hundred dollars (\$600) each year. These payments shall be made quarterly from funds appropriated for that purpose in the regular budget of the corporation.

*As added by P.L.2-1993, SEC.5. Amended by P.L.255-2003, SEC.46.*

**IC 16-22-8-15****Governing board; regular and special meetings**

Sec. 15. (a) The governing board shall by rule provide for regular meetings to be held at a designated interval throughout the year.

(b) The chairman or a majority of the members of the board may call a special meeting. The board shall by rule establish a procedure for calling special meetings. The board shall publish notice of a special meeting one (1) time, not less than twenty-four (24) hours before the time of the meeting, in two (2) newspapers of general circulation in the county in which the corporation is established.

(c) Regular and special meetings are open to the public.

*As added by P.L.2-1993, SEC.5. Amended by P.L.255-2003, SEC.47.*

**IC 16-22-8-16****Governing board; annual meeting; selection of chairman and vice chairman; position vacancy**

Sec. 16. (a) The governing board shall hold the annual meeting the second Monday in January of each year. At the meeting, the board shall select from among the members a chairman and vice chairman and shall make the appointments of personnel provided under this chapter.

(b) A vacancy occurs if the chairman or vice chairman of the

board dies, resigns, changes residence from the county, or is impeached. If the office of chairman or vice chairman becomes vacant, the board shall select from among the members a successor chairman or vice chairman at the next meeting of the board.

*As added by P.L.2-1993, SEC.5. Amended by P.L.255-2003, SEC.48.*

#### **IC 16-22-8-17**

##### **Governing board; quorum**

Sec. 17. A majority of the members of the board constitutes a quorum for a meeting. The board may act by an affirmative vote of a majority of those present at the meeting.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-18**

##### **Governing board; record of proceedings; public inspection**

Sec. 18. The board shall keep a written record of the board's proceedings that is available for public inspection in the office of the board. The board shall record the aye and nay vote on the passage of an item of business that affects private rights and shall record the aye and nay vote on the passage of any other item of business if two (2) members of the board request that the votes be recorded by ayes and nays.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-19**

##### **Governing board; rules of procedure**

Sec. 19. (a) The governing board shall adopt rules of procedure for the meetings of the board. The board may suspend the rules of procedure by unanimous vote of the members present at the meeting. The board shall not suspend the rules of procedure beyond the duration of the meeting at which the suspension of rules occurs.

(b) The board may exercise the powers to supervise internal affairs common to municipal legislative and administrative bodies.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-20**

##### **Ordinance; introduction of proposal**

Sec. 20. A member of the board may introduce a proposed draft of an ordinance at a meeting of the board. The person who introduces a proposed draft of an ordinance shall provide at the time of introduction a written copy of the proposed draft. The board shall assign to each proposed draft of an ordinance a distinguishing number and the date when introduced.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-21**

##### **Ordinance; notice of pendency of proposal**

Sec. 21. (a) Not more than seven (7) days after the introduction of a proposed draft of an ordinance nor less than seven (7) days before the final passage of a proposed draft of an ordinance, the board shall

publish a notice that the proposed ordinance is pending final action by the board. The notice shall be published one (1) time in two (2) newspapers that have a general circulation in the jurisdiction of the corporation. Notice of an ordinance establishing a budget shall be in accordance with the general law relating to budgets of first class cities.

(b) The notice must state the following:

(1) The subject of the proposed ordinance.

(2) The time and place of the hearing.

(3) That the proposed draft of an ordinance is available for public inspection at the office of the board.

(c) The board may include in one (1) notice a reference to the subject matter of each draft of a pending ordinance for which notice has not been given.

(d) An ordinance is not invalid because the reference to the subject matter of the draft of an ordinance was inadequate if the reference is sufficient to advise the public of the general subject matter.

*As added by P.L.2-1993, SEC.5. Amended by P.L.255-2003, SEC.49.*

#### **IC 16-22-8-22**

##### **Ordinance; copies of proposal for public inspection**

Sec. 22. On or before the date of notice of the introduction of a proposed ordinance, the governing board shall place five (5) copies of the proposed draft on file in the office of the board for public inspection.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-23**

##### **Ordinance; scheduled meeting; action or postponement**

Sec. 23. At a meeting for which notice has been given under section 21 of this chapter, the governing board may take final action on the proposed ordinance or may postpone final consideration to a future designated meeting without giving additional notice.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-24**

##### **Ordinance; adoption at public meeting; hearing**

Sec. 24. The governing board may adopt a draft of an ordinance only at a meeting open to the public. Before adopting an ordinance, any person present at the meeting may give testimony, evidence, or argument for or against the proposed ordinance in person or by counsel. The board may adopt rules concerning the number of persons who may be heard and time limits.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-25**

##### **Ordinance; designation of effective date**

Sec. 25. The governing board shall designate the effective date of the ordinance at the meeting at which the ordinance is adopted. If the

board fails to designate the effective date of the ordinance in the record of the proceedings of the board, the ordinance is effective on the fourteenth day after the passage of the ordinance.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-26**

##### **Ordinance; copies for public; publication**

Sec. 26. (a) The governing board shall make copies of each ordinance the board adopts available to the public.

(b) The board may print any or all of the ordinances of the corporation in pamphlet form or in bound volumes and distribute pamphlets or bound volumes without charge or may charge the cost of printing and distribution.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-27**

##### **Executive director; term; qualifications; service as board secretary**

Sec. 27. (a) The governing board shall appoint an executive director of the board who is qualified by education and experience to serve for a term of four (4) years unless sooner removed. The executive director is eligible for reappointment. The executive director must be a resident of the county.

(b) In addition to the duties as executive director of the board, the executive director acts as secretary of the board.

*As added by P.L.2-1993, SEC.5. Amended by P.L.255-2003, SEC.50.*

#### **IC 16-22-8-28**

##### **Creation of divisions; functions**

Sec. 28. (a) The governing board shall create the following:

- (1) A division of public health.
- (2) A division of public hospitals.
- (3) Other divisions the board considers necessary.

(b) The division of public health shall administer the functions of the corporation concerned primarily with disease prevention and control and shall perform the duties and functions of a local board of health.

(c) The division of public hospitals shall administer the functions of the corporation concerned primarily with the curative work of a hospital, clinic, dispensary, or similar facility operated by a local governmental unit or agency in the county of the corporation. The division of public hospitals shall operate and manage a hospital, clinic, dispensary, or similar facility under the jurisdiction of the corporation. The board may create a separate division to operate and manage a county home.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-29**

##### **Contracts to perform delegated functions; coordination meetings**

Sec. 29. (a) The board may enter into an agreement with a qualified person or governmental agency to operate the hospital or

health facilities.

(b) The consolidated city shall, through representatives designated by the city executive and the city-county legislative body, meet periodically with the board and try to make and carry out mutually agreeable contracts between the two (2) municipal corporations to increase efficiency and avoid duplication of service.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-30**

##### **Public health division; director; term; qualifications**

Sec. 30. The board shall appoint a director of the division of public health to serve for a term of four (4) years unless sooner removed for cause. The director is eligible for reappointment. The director must hold or be eligible to hold an unlimited license to practice medicine in Indiana and meet the requirements of a local health officer under IC 16-20.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-31**

##### **Public health division; director; powers; enforcement of orders**

Sec. 31. The director of the division of public health has the powers, functions, and duties of and is subject to the laws relating to a local health officer. The director shall perform other duties prescribed by the board or authorized by a town or city within the county. Valid orders of the director of the division of public health may be enforced in a court with jurisdiction by injunction. A change of venue from the county may not be had for orders issued under this section.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-32**

##### **Public hospitals division; director; term; qualifications**

Sec. 32. The board shall appoint a director of the division of public hospitals to serve for a term of four (4) years unless sooner removed for cause. The director is eligible for reappointment. The director shall supervise the division of hospitals under the jurisdiction of the corporation and perform the duties prescribed by the board. The director must be qualified in the management of hospitals and in health care financing. The director may be engaged through a contractor managing the hospital under section 29 of this chapter.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-33**

##### **Personnel system**

Sec. 33. (a) The board shall by ordinance provide for a personnel system for compensated employees that contains procedures common to a merit system and that is used throughout the corporation. The board shall consider and may adopt modern developments in the solution of personnel problems, including the following:



- (1) The establishment of positions and classes of positions for purposes of recruiting, personnel operations, and equalization of pay.
- (2) The establishment and adjustment of scales and rates of pay.
- (3) The filling of positions by promotion, recruitment, and transfer.
- (4) The maintenance of attendance and performance records.
- (5) The establishment of working conditions, including probationary appointments and inservice training, vacations, leaves of absence (with or without pay), and retirement programs.
- (6) The regulation of temporary and permanent separations from the service.

(b) The personnel system may not include division directors, hospital superintendents, temporary or part-time employees, or interns, residents, physicians, or surgeons serving on the medical staff of a hospital.

(c) This chapter does not prevent the corporation from participating in the public employees' retirement fund under IC 5-10.3.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-34**

##### **Powers of board**

Sec. 34. (a) The board may do all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following:

- (1) As a municipal corporation, in the board's corporate name, to sue and be sued in any court with jurisdiction.
- (2) To serve as the exclusive local board of health within the county with the powers and duties conferred by law upon local boards of health or similar boards. The board supersedes all other local boards of health within the county. However, the ordinances and codes of the prior health boards remain in effect until an ordinance upon the same subject is enacted by the board.
- (3) To enact ordinances that are consistent with Indiana law and with the rules of the department, for the following purposes:
  - (A) To protect property owned or managed by the corporation.
  - (B) To determine, prevent, and abate public health nuisances.
  - (C) To establish quarantine regulations, impose restrictions on persons having infectious or contagious diseases and contacts of the persons, and regulate the disinfection of premises.
  - (D) To license, regulate, and establish minimum sanitary standards for the operation of a business handling, producing, processing, preparing, manufacturing, packing, storing, selling, distributing, or transporting articles used for

food, drink, confectionery, or condiment in the interest of the public health.

(E) To control rodents, termites, insects, and pests.

(F) To require persons to connect to available sewer systems and to regulate the disposal of domestic or sanitary sewage by private methods. However, the board has no jurisdiction over publicly owned or financed sewer systems or sanitation and disposal plants.

(G) To control rabies.

(H) For the sanitary regulation of water supplies for domestic use.

(I) To protect, promote, or improve public health and control disease.

(4) To have exclusive control, operation, and management of hospitals transferred to the corporation.

(5) The board shall furnish health and nursing services to elementary and secondary schools within the county.

(6) The board shall furnish medical care to the indigent within the county unless medical care is furnished to the indigent by the division of family and children.

(7) To determine the public health policies and programs to be carried out and administered by the corporation.

(8) To adopt an annual budget and levy taxes in accordance with this chapter.

(9) To incur indebtedness in the name of the corporation in accordance with this chapter.

(10) To organize the personnel and functions of the corporation into divisions and subdivisions to carry out the board's powers and duties and to consolidate, divide, or abolish the divisions and subdivisions.

(11) To acquire and dispose of property.

(12) To receive gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying these items and bind the corporation to carry out the conditions and terms.

(13) To receive and administer federal or state aid.

(14) To erect buildings or structures or improvements to existing buildings or structures needed to carry out this chapter.

(15) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.

(16) To do the following:

(A) Adopt a schedule of reasonable charges for nonresidents of the county for treatments, medicines, and hospital services.

(B) Collect the charges from the patient or from the governmental unit where the patient resided at the time of the service.

(C) Require security for the payment of the charges.

(17) To adopt a schedule of and to collect reasonable charges for patients able to pay in full or in part.

(18) To enforce the health laws, ordinances, and rules of the corporation, the state, and the state department of health.

(19) To purchase supplies, materials, and equipment for the corporation. The purchase of drugs, medical, dental, laboratory, and surgical supplies and instruments, and food shall be in accordance with proceedings adopted by the board and is not subject to IC 36-1-9. The board must approve a purchase of more than five hundred dollars (\$500). All other purchases shall be made in accordance with IC 36-1-9.

(20) To employ personnel to carry out the duties, functions, and powers of the corporation. The professional and semiprofessional personnel in the division of hospitals shall be employed only on the recommendation of the medical director of hospitals. The superintendent of a hospital (other than the superintendent of a county home) must possess the qualifications required for a director of the division of public hospitals. The trained and skilled personnel in the division of health shall be employed only on the recommendation of the director of public health.

(21) To employ an attorney admitted to practice law in Indiana.

(22) To acquire, erect, equip, and operate the hospital in accordance with this chapter.

(23) To sell surplus or unneeded property in accordance with the procedure prescribed by the board. However, if the board disposes of real property by acceptance of bids, a bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify the following:

(A) Each beneficiary of the trust.

(B) Each settlor empowered to revoke or modify the trust.

(24) To adopt rules to carry out the board's powers and duties and to govern the duties of the board's officers, employees, and personnel and the internal management of the affairs of the corporation.

(25) To fix the compensation of the officers and employees of the corporation except where a different provision is made by this chapter.

(26) To carry out the purposes and object of the corporation.

(27) To have the powers and duties relating to county homes vested in the county executive and to appoint a superintendent of the county home who must have executive ability and be qualified by education and experience to manage the institution.

(28) To obtain loans for hospital expenses in amounts and upon terms agreeable to the board. The board may secure the loans by pledging accounts receivable or other security in hospital funds.

(b) The board shall exercise the board's powers and duties in a manner consistent with Indiana law and with the rules of the state department of health.

*As added by P.L.2-1993, SEC.5. Amended by P.L.1-1994, SEC.87.*

### **Insurance**

Sec. 34.5. The governing board of the corporation may enter into a group purchasing agreement to purchase medical malpractice insurance with the following:

(1) One (1) or more hospitals organized or operated under this article.

(2) One (1) or more hospitals organized or operated under IC 16-23.

*As added by P.L.91-2002, SEC.12 and P.L.100-2002, SEC.14.*

### **IC 16-22-8-35**

#### **Accounts and records**

Sec. 35. The board shall keep accounts and records of receipts and disbursements as prescribed by the state board of accounts.

*As added by P.L.2-1993, SEC.5.*

### **IC 16-22-8-36**

#### **Integrated administrative organization**

Sec. 36. The board shall provide an integrated administrative organization that establishes the responsibility of individual officers and employees and avoids duplication of services and regulation.

*As added by P.L.2-1993, SEC.5.*

### **IC 16-22-8-37**

#### **Territorial extent of corporate powers**

Sec. 37. The powers, authority, and duties conferred on the corporation and the corporation's officers and employees under this chapter extend throughout the county and may extend outside the county on terms and conditions the board prescribes that are consistent with this chapter.

*As added by P.L.2-1993, SEC.5. Amended by P.L.255-2003, SEC.51.*

### **IC 16-22-8-38**

#### **Transfer of powers and duties from other political subdivision**

Sec. 38. Whenever a power, an authority, or duty is imposed by this chapter upon the corporation or the corporation's officers that on July 1, 1952, was imposed on another municipal corporation or political subdivision or the corporation's or political subdivision's officers, power, authority, or duty shall be exercised exclusively by the corporation.

*As added by P.L.2-1993, SEC.5.*

### **IC 16-22-8-39**

#### **Privileges and use of hospital; discrimination**

Sec. 39. (a) A hospital owned, operated, or managed by the corporation shall be for the benefit of the residents of the county and of every person who becomes sick, injured, or maimed within the county.

(b) A patient who is able to pay shall pay to the corporation a reasonable compensation for medicine or hospital services according

to the rules prescribed by the board. The board or the board's authorized representative may exclude from the hospital a person who willfully violates the rules. On terms and conditions the board prescribes, the corporation may:

- (1) extend the privileges and use of the hospital, the corporation's health care programs, and health care facilities to persons residing outside of the county; and
- (2) own or operate nursing facilities located inside or outside of the county.

(c) There may not be discrimination against practitioners of any school of medicine holding unlimited licenses to practice medicine recognized in Indiana. The licensed practitioners are entitled to equal privileges in treating patients in the hospital.

*As added by P.L.2-1993, SEC.5. Amended by P.L.91-2002, SEC.13; P.L.255-2003, SEC.52.*

#### **IC 16-22-8-40**

##### **Additional hospitals; improvements to existing hospitals**

Sec. 40. Whenever the board determines that there is a need for an additional hospital or an addition or improvement to an existing hospital, the board may purchase suitable grounds, construct suitable buildings and improvements for hospital purposes, and do all that is necessary to acquire, establish, construct, erect, equip, and maintain the hospital, addition, or improvement.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-41**

##### **Cumulative building fund**

Sec. 41. (a) The board may provide a cumulative building fund under IC 6-1.1-41 to erect hospital buildings, additions, or other buildings, remodel buildings, or acquire equipment needed to carry out this chapter. The cumulative building fund may be funded by a property tax levy under subsection (b), a transfer into the fund of other revenues of the hospital, or a combination of these two (2) methods.

(b) The board may levy a tax in compliance with IC 6-1.1-41 on all taxable property within the county where the corporation is established. However, the levy may not exceed six and sixty-seven hundredths cents (\$0.0667) on each one hundred dollars (\$100) of taxable property.

(c) All money in the cumulative building fund may be invested or reinvested in the following:

- (1) Securities backed by the full faith and credit of the United States Treasury, including direct obligations of the United States government and obligations of a federal agency or a federal instrumentality that are fully guaranteed by the United States government.
- (2) Participation in loans under the conditions and in the manner set forth in IC 5-13-10.5-12.

(d) The treasurer of the corporation may lend any securities in the

cumulative building fund under the conditions and in the manner set forth in IC 5-13-10.5-12. Money collected and not invested in government obligations shall be deposited and withdrawn in the manner authorized by law for the deposit, withdrawal, and safekeeping of the general funds of municipalities.

*As added by P.L.2-1993, SEC.5. Amended by P.L.57-1993, SEC.13; P.L.17-1995, SEC.20; P.L.18-1996, SEC.30; P.L.6-1997, SEC.168.*

#### **IC 16-22-8-42**

##### **Eminent domain**

Sec. 42. If the board and the owner of real property desired for hospital or other purposes in carrying out this chapter cannot agree on the price, the corporation has the right to condemn. Condemnation proceedings may be instituted in the name of the corporation under IC 32-24.

*As added by P.L.2-1993, SEC.5. Amended by P.L.2-2002, SEC.67.*

#### **IC 16-22-8-43**

##### **Bonds; sale and issuance**

Sec. 43. (a) The board may issue general obligation bonds of the corporation to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings and other structures for use as or in connection with hospitals, clinics, health centers, dispensaries, or for administrative purposes. The issuance of the bonds shall be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds, for the time and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance and shall be executed in the name of the corporation by the chairman of the board and attested by the executive director, who shall affix to each of the bonds the official seal of the corporation. The interest coupons attached to the bonds may be executed by facsimile signature of the chairman of the board.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing ordinance. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

(c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

- (1) Notice and filing of the petition requesting the issuance of the bonds.
  - (2) Notice of determination to issue bonds.
  - (3) Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appeal and be heard.
  - (4) Approval by the department of local government finance.
  - (5) The right to remonstrate.
  - (6) Sale of bonds at public sale for not less than the par value.
- (d) The bonds are the direct general obligations of the corporation and are payable out of unlimited ad valorem taxes levied and collected on all the taxable property within the county of the corporation. All officials and bodies having to do with the levying of taxes for the corporation shall see that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for payment.
- (e) The bonds are exempt from taxation for all purposes but the interest is subject to the adjusted gross income tax.

*As added by P.L.2-1993, SEC.5. Amended by P.L.90-2002, SEC.395; P.L.192-2002(ss), SEC.158; P.L.1-2003, SEC.62.*

#### **IC 16-22-8-44**

##### **Bonds to fund or refund judgment**

Sec. 44. The board may issue funding or refunding bonds to fund or refund a judgment, bonds, or other obligations of the corporation. The board is not required to file a petition requesting the issuance of funding or refunding bonds.

*As added by P.L.2-1993, SEC.5.*

#### **IC 16-22-8-45**

##### **Tax anticipation warrants**

Sec. 45. (a) Temporary loans may be authorized and made by the board of trustees in anticipation of the collection of taxes of the corporation actually levied and in course of collection for the fiscal year in which the loans are made. The loans shall be authorized by ordinance and evidenced by warrants in the form provided by the ordinance. The warrants must state the following:

- (1) The total amount of the issue.
- (2) The denomination of the warrant.
- (3) The time and place the warrant is payable.
- (4) The rate of interest not exceeding five percent (5%).
- (5) The funds in anticipation of which the warrants are issued and out of which the warrants are payable.
- (6) A reference to the ordinance authorizing the warrant and the date of the warrant's passage.

(b) The ordinance authorizing the temporary loans shall appropriate and pledge sufficient current revenue in anticipation of which the warrants are issued and out of which the warrants are payable. The warrants evidencing the temporary loans shall be executed, sold, and delivered as the bonds of the corporation.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-46****Treasurer**

Sec. 46. The board shall appoint a treasurer of the corporation to serve for a term of four (4) years unless sooner removed for cause. The treasurer shall give bond in the amount and with the conditions prescribed by the board and with surety approved by the board. All money payable to the corporation shall be paid to the treasurer and the treasurer shall deposit the money in accordance with Indiana law relating to the deposit of public funds by municipal corporations. However, if trust funds are received or managed under a trust indenture, the terms and conditions of the trust indenture shall be followed. The treasurer must be a resident of the county.

*As added by P.L.2-1993, SEC.5. Amended by P.L.255-2003, SEC.53.*

**IC 16-22-8-47****Withdrawal of funds**

Sec. 47. Money shall be drawn from the treasury of the corporation under Indiana law.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-48****Auditor**

Sec. 48. (a) The executive director is ex officio the auditor of the corporation. The executive director shall give bond in an amount and with conditions and surety prescribed and approved by the board. The executive director shall keep an accurate account of appropriations made and taxes levied by the corporation and of money due to the corporation and received and disbursed. The executive director shall preserve all vouchers for payments and disbursements made.

(b) The auditor shall issue all warrants for the payment of money from the funds of the corporation, but no warrant shall be issued for the payment of any claim until the claim has been allowed by the board. All warrants shall be countersigned by the treasurer. Whenever the auditor issues a warrant, the auditor may require evidence that the amount claimed is justly due and in conformity with law. The auditor may summon any officer, agent, or employee of the corporation, or other person, administer an oath or affirmation to that person, and examine that person on oath or affirmation.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-49****Auditor's report**

Sec. 49. The auditor shall annually submit to the board, and more often if required by the board, a report of the accounts exhibiting the revenues, receipts, and disbursements, the sources of the revenues and funds, and how the funds have been disbursed.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-50**



**Budget**

Sec. 50. The board shall annually prepare a budget for the operating and capital expenditures of the corporation and shall calculate the tax levy necessary to provide money for the operating and capital expenditures of the corporation. The budget shall be prepared and submitted at the same time and in the same manner and with the notices and review procedures provided by Indiana law relating to budgets by consolidated cities.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-51****Tax assessment and collection**

Sec. 51. The tax levy approved by the department of local government finance shall be assessed and collected by the county treasurer of the county within which the corporation is located as other taxes are levied and collected. The county treasurer shall remit all taxes to the treasurer of the corporation.

*As added by P.L.2-1993, SEC.5. Amended by P.L.90-2002, SEC.396.*

**IC 16-22-8-52****Board of finance functions**

Sec. 52. The board shall act as a board of finance in accordance with Indiana law relating to the deposit of public funds by municipalities.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-53****Surety bond of officers and employees**

Sec. 53. The board may require a bond on any of the officers or employees of the corporation in the amount and with the terms and conditions and surety approved by the board.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-54****Tuberculosis treatment; orders of commitment**

Sec. 54. The circuit court of the county has jurisdiction to order the commitment to a hospital that treats patients with tuberculosis. The state health commissioner or the local health officer may petition the court and the proceedings shall be held in accordance with IC 16-41-9-1.

*As added by P.L.2-1993, SEC.5.*

**IC 16-22-8-55****Borrowing powers; use of funds; loan negotiations; appeal**

Sec. 55. (a) The corporation may borrow money on promissory notes issued in the corporation's name, as a municipal corporation, from recognized lending institutions, and pledge as security unlimited ad valorem taxes levied by the corporation and collected on all taxable property within the jurisdiction of the corporation. It is the duty of all officials and bodies with control or discretion over

the levying of taxes for the corporation to see that sufficient levies are made to meet the principal and interest on promissory notes. The promissory notes issued under this section shall be treated for taxation purposes the same as bonds issued by a municipal corporation in accordance with IC 6-8-5-1.

(b) Funds obtained by the method provided in this section shall be limited in use to the payment of lease rental for medical, surgical, and related equipment used by the corporation when the board determines that leasing the equipment is more practical and economical than purchasing. The decision to lease rather than purchase is within the sole discretion of the board.

(c) The length, terms, and conditions of promissory notes issued under this section are subject to negotiation between the board or the board's representative and the lending institutions bidding. Before entering into negotiations for the loan, the board of trustees shall publish a notice one (1) time in a newspaper of general circulation in the health and hospital corporation naming a date not less than seven (7) days after the publication of notice on which the board will receive and consider proposals from lending institutions for the making of the loan.

(d) After determination of the board to borrow and to issue promissory notes, and after a determination of the best proposal submitted by lending institutions, the board shall give notice of the board's determination to borrow and to issue promissory notes in the manner provided by IC 6-1.1-20. The taxpayers have the right to appeal the determination to the department of local government finance in the manner and within the time provided in IC 6-1.1-20.  
*As added by P.L.2-1993, SEC.5. Amended by P.L.90-2002, SEC.397.*